ISP Sample Letter

I am the Vice President of Infobahn Outfitters, Inc., an regional Internet Service Provider in rural western Illinois (www.outfitters.com). Our home office is in Macomb, Illinois. We opened in 1995. We serve approximately 6,000 customers, and in addition to Internet access, we provide web develop ment, web hosting, network consulting.

In several of our markets, we are still the only local phone call access provider. We have no high-speed wired service in our areas: no ISDN, no DSL, no cable modems. In some markets, the telephone company does not even support Frame Relay.

We provide many services our local phone company does not. We have provide d free Internet access to several area libraries and have worked extensivel y with our local library system to develop a community information system (www.hccweb.com). We offer on-site service when customers=19 computers have problems, remove viruses, and provide one-on-one training. For many of our customers, this is their first experience with a computer and they need individual attention, which we are willing and able to offer them.

We started our access service with 16 consumer-grade modems attached to a p lywood board with Velcro strips. Our expansion was driven by communities b egging us to bring access to their community for a local phone call.

Roughly 50% of our expenses are directly paid to telephone companies: Veri zon and Citizens Communications, who are the ILECs, and to Sprint & MCI, our backbone carriers. We are constantly dealing with delayed installations, lines down for hours at a time, service areas where the phone company will not work on problems =1Cafter hours=1D, and large billing errors.

We have upgraded to digital phone lines (DCSs), but we still have no choice s in where we buy our service. Our contacts at the phone companies are in California and New York. They have no idea where Macomb, Illinois, and we get the feeling they do not care, as long as we keep sending in the checks.

The phone companies in our area do not offer DSL. At one point, we were ho peful they would and that we would be able to resell the service. However, in watching the way these =1Cresale=1D operations work, we are convinced that the ILECs really do not want to work with us. We have investigated becoming a CLEC ourselves and install DSL equipment, but the entry cost is high. Our feasibility studies indicate that the ILECs are uncooperative with CLECs and that the probability of succeeding in an environment where we must purchases services directly from our competitors will fail at all costs. Our customers are demanding faster access, and we have no way to provide it to them. This is very frustrating, since we paid these companies to install the infrastructure and they have been given monopolies, as well as incentives for serving our rural areas. This is VERY bad for the economic development in our area, which is already depressed because we do not have adequate interstate access to attract employers.

We are very concerned about the telephone and cable companies offering high -speed service, against which we would have no way to compete. Our custome rs are very frustrating that we cannot provide this service for them. I ca nnot afford to lose significant numbers of customers if I am to stay in bus iness. If my largest two markets get DSL service from the phone company an d I am unable to offer it, I could be forced out of business. I have to wo nder will happen to my other customers who will no longer have service from me. Personally, I am confident that I could move to a larger area and fin ding a good job. We left a metro area and good jobs to start this business in rural Illinois. I=19m not so confident about my customers, who MUST ha ve access to Internet at reasonable cost to support their livelihoods. The

y are farmers and business owners, who are not able to easily move to a met ro area, even if they chose to do so. I also worry about the future of my em

Sincerely,

Melissa Calhoun 716 E Jackson, PO Box 248 Macomb, IL 61455